

further on in this chapter when the subject of shares is discussed.

"Bearer Stock"—usually "Bearer Bonds/" is a form of stock popular with some undertakings—particularly some foreign Governments. It is not registered in any name, but the holder is deemed to be the proprietor. It is a risky but convenient form of holding. Bonds can be deposited with bankers for advances without difficulty or delay—they can be sold for cash without any formality and they do not require to be entered in any stock transfer books.

In some instances opportunity is given to the holders of bearer bonds to turn them into registered bonds by filling in the name, address and description of the owner and sending same to the stock office of the undertaking for registration. It is usual for the bonds to be returned to the owner, but with a stamp or other indication that the owner is registered as proprietor, and all subsequent dealings with the bonds must necessarily then be by transfer deed.

It may be asked how the dividends on bearer bonds are paid. It will be found that such bearer bonds are limited to a period of years and that there are attached to the bonds, small tickets or coupons dated for the respective quarter or half-

year in which the dividend or interest becomes due. These are cut off by the holder as they become due and paid into the stockholder's bank, where they are treated as dividend warrants and collected.

A "share" is the usual form of investment in a company. Its ownership constitutes the share-holder a member of the company and entitled to share in the profits of the company. The shares